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SOURCE Unio Press Service.HUNGARY'S SALES TAX AMONG HIGHEST IN WORLD

Decree No 6400-16/1950 II.b.P.M. of the Ministry of Finance establishes the following internal trade sales tax rates, (expressed in percent except where otherwise indicated), which are among the highest in the world:

Candies 30, crystal sugar 300 forints per 100 kilograms, mineral water 43.5, white bread 21, ground pepper 69.5, pastry 31.5, beef and veal 33, winter salami 46, beer 156 forints per 100 liters, turned furniture 28.5, brooms 25, matches 76.5, coffins 32.5, coal 18-30.

Powdered soap 33.5, household soap 45, household scouring powder and material for making soap 54, toilet articles 38-49, printing ink 45, margarine 51.5, benzine 229 forints per 100 kilograms, rubber soled summer and sport shoes 46.5, school notebooks 33-45.5, 50-percent wool yarn 54, hemp and linen cloth 47.5, 50 percent wool cloth 51, cotton cloth 34.

Knitted goods 47.1, wool hat hoods 50, Swiss felt caps 59, men's shirts 20.5, shoe leather 32-49, mirrors 33.5, glass and porcelain articles 19-52.5, heavy semifinished metal articles 37, cigarette-lighters 16.60 to 90 forints each, medical instruments 41, steam and water 7.5, incandescent bulbs 55.5, radio tubes 46.5, lighting and heating gas 22.5, printing jobs 20.5.

All other articles not listed separately will be subject to a 23-percent sales tax. The tax rate on exports and reparations will be 0.5 percent. The decree also establishes a luxury tax which covers playing cards, packaged rugs, large motorcycles, movie machines, articles made of precious metals, sound equipment, flowers, live animals, and antiques.

The new price-levelling sales tax is described by the decree as a "skimming" tax. Strict measures are provided by the decree for the assessment and collection of this tax, including a maximum fine of 10,000 forints. If the district council anticipates difficulty in collecting the tax, it may require the payment of a guarantee. By increasing the price of articles used by the majority of the population, this decree helps lower the standard of living in Hungary even further.

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- 1 -

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